



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503
December 7, 2012

The Honorable Harry Reid
Majority Leader of the Senate
Washington, DC 20510

Dear Senator Reid:

In late October, Hurricane Sandy made landfall and struck the East Coast from North Carolina to Maine, particularly impacting coastal areas. High winds and storm surge caused widespread flooding, loss of life, displacement of persons, and significant damage to private property, public infrastructure, and Federal Government facilities. A dangerous nor'easter followed nine days later causing additional damage and undermining the recovery effort. As a result of these events, thousands of individuals were displaced, and millions lost power. Thousands of stores and businesses were damaged or closed, and fuel distribution was severely disrupted, further complicating the recovery effort. New York and New Jersey—two of the Nation's most populous States—were especially hard hit by these storms. Recovery efforts continue today throughout the region. All told, although estimates of the total damage of Hurricane Sandy remain in flux, current projections are that Sandy is on track to be the second or third most costly natural disaster in U.S. history, behind Hurricane Katrina (2005) and close to Hurricane Andrew (1992). While much of this damage is covered by insurance, current estimates suggest that a significant amount of damage is not covered.

At the direction of the President, and under the auspices of the National Response and Disaster Recovery Frameworks, numerous Federal agencies contributed resources and personnel to respond to the devastating impacts of the storm. As the impacted region addresses the damage caused by the hurricane, the Administration believes additional Federal resources are necessary to fund response, recovery, and mitigation efforts. This letter and the enclosed materials request the funds necessary to finance a needed recovery effort and to help the region prepare for future challenges, including future severe storms and coastal flooding, as well as impacts associated with a changing climate.

In total, the Administration requests \$60.4 billion in Federal resources for response, recovery and mitigation related to Hurricane Sandy damage in all affected States. This includes efforts to repair damage to homes and public infrastructure and to help affected communities prepare for future storms. Attached is a detailed appendix outlining the specific needs, funding accounts, provisions, and principles that comprise the Administration's request for assistance. Our Nation has an obligation to assist those who suffered losses and who lack adequate resources to rebuild their lives. At the same time, we are committed to ensuring Federal resources are used responsibly and that the recovery effort is a shared undertaking: private insurers must fulfill their commitment to the region; public assistance must be targeted for public benefit; resources must be directed to those in greatest need; and impacted States and localities must contribute, as appropriate, to the costs of rebuilding. Accordingly, consistent with the increased emphasis it has placed on the integrity of all Federal spending activities, the Administration proposes that

controls be put in place to ensure that funds are used appropriately to protect against waste, fraud, and abuse.

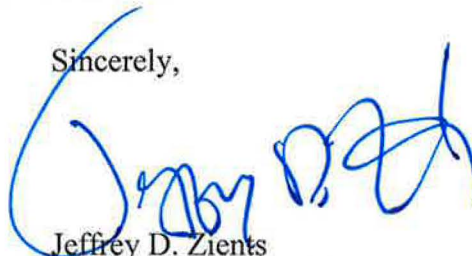
As you know, the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended by the Budget Control Act of 2011, allows the Congress to designate certain spending for disaster relief, which is not subject to the discretionary caps specified in the statute. Annually, the Office of Management and Budget (OMB) calculates the allowable limit on funding that can be designated for disaster relief and, for fiscal year (FY) 2013, OMB calculated a disaster relief adjustment limit of \$11.8 billion.

Under the Continuing Appropriations Resolution, 2013 (Public Law 112-175), \$6.4 billion in funding enacted in FY 2012 for the Federal Emergency Management Administration Disaster Relief Fund (DRF) counts toward the FY 2013 disaster relief adjustment's allowable limit. No other agencies received funding through the Continuing Resolution that would count toward that limit. The Administration therefore recommends that the Congress provide and designate \$5.4 billion in additional DRF funding for disaster relief, appropriating the remaining funds permitted for the disaster relief adjustment in FY 2013 pursuant to the BBEDCA. If the enacted FY 2013 appropriation for the DRF provides a different level of funding designated for disaster relief than that available pursuant to the Continuing Resolution, the amount remaining under the disaster relief adjustment's allowable limit would be different and the Administration's recommendation would need to be adjusted accordingly.

BBEDCA provides that funding may be designated as an emergency requirement if it is sudden, urgent, unforeseen, and temporary and is for the prevention or mitigation of, or response to, loss of life or property, as defined in sections 250(c)(20) and 250(c)(21). The extraordinary destruction wrought by Hurricane Sandy has created funding needs that meet this definition. In addition to the amounts recommended to be designated for disaster relief, the Administration estimates a remaining \$55.0 billion in budget authority (including additional borrowing authority) in FY 2013 is necessary to respond to, and recover from, the impacts of Hurricane Sandy, and mitigate against future such disasters. The Administration requests that this amount be provided and designated as an emergency requirement pursuant to BBEDCA. An emergency designation pursuant to BBEDCA is not subject to the discretionary caps specified in the statute. Accordingly, this emergency funding can and should be provided without offset.

Thank you for your consideration of these recommendations, additional details for which are included in the enclosure to this letter. The Administration looks forward to working with the Congress to help communities recover and rebuild.

Sincerely,



Jeffrey D. Zients

Deputy Director for Management

Enclosure

Identical letter sent to The Honorable John Boehner

Appendix: Detailed Estimates of Necessary Federal Resources

This appendix provides details of the Administration's estimate of Federal funds needed to address damage from Hurricane Sandy, divided among the respective budget accounts. While precise losses are still being determined, there is a great need for timely assistance. The Administration's request ensures urgent and essential needs are being met, while recognizing the need to prevent losses of this magnitude from future disasters as well as ensuring that funds are used most effectively and on appropriate activities with proper spending controls. In particular, the Administration recommends the principles outlined below to guide Hurricane Sandy funding assistance:

Helping those in greatest need – As a Nation, we have always worked together to assist those who have suffered losses from disasters, and lack adequate resources to rebuild their lives and communities. Assistance should be targeted primarily to low- and moderate- income individuals and families, and limited to repairing and rebuilding primary residences only.

Sharing the responsibility for rebuilding – States and localities should contribute to the costs of rebuilding. The level of damage caused by Hurricane Sandy is expected to meet the regulatory threshold necessary to increase the Federal share of most disaster programs to 90 percent. In accordance with the whole community approach outlined in the Federal Emergency Management Agency's National Disaster Recovery Framework, impacted States and localities will share, as appropriate, the remaining 10 percent of costs.

Ensuring private insurers fulfill their commitments – Federal funds should not supplant private insurance payments for damage covered by insurance policies in place at the time of the disaster. While Federal support should be available to those who have suffered losses through no fault of their own, private insurers must fulfill their commitments to policyholders.

Targeting public assistance for public benefit – Through the Small Business Administration, the Federal Government has loan programs appropriate to assist many businesses in covering unmet physical and economic losses from disasters. With limited exceptions related to small businesses that face long-term business disruption, public resources should not be used to restore lost revenue or pay for repairs to privately-owned business assets.

Building for the future – To build a more resilient Nation prepared to face both current and future challenges, including a changing climate, Federal agencies in partnership with State, local, and tribal officials, and the science community, should inform all plans for recovery and rebuilding to address the increased risk and vulnerabilities of extreme weather, sea level rise, and coastal flooding. These investments in planning and rebuilding for the future will help guarantee the most effective use of public resources invested in the recovery effort and help revitalize the health, social, economic, and environmental fabric of communities impacted by Hurricane Sandy.

Coordinating mitigation projects – Projects to mitigate against future such disasters should be guided by regional response plans crafted through Federal agencies in partnership with State, local, and tribal entities. These plans will present options ranked by estimated cost-effectiveness, and will be developed in coordination with the work of the interagency Hurricane Sandy Task Force led by Housing and Urban Development Secretary Shaun Donovan. Relevant Federal programs receiving mitigation funds should have flexible transfer authority, to enable funding to be channeled through the most appropriate Federal programs to accomplish priority activities. For example, funding provided for transportation mitigation could be utilized for projects involving multiple modes other than just public transportation.

Planning at the local level – Federal agencies must work in partnership with State, local, and tribal officials to develop mutually agreed upon assessments of future risks and vulnerabilities facing the region, including extreme weather, sea level rise, and coastal flooding and incorporate these into their recovery planning and implementation. This will enable regionally-consistent policies and planning to guide decisions on wisely investing recovery funds for long-term resilience. Involving public officials from all levels of government in the planning process will ensure the strongest recovery for the Nation's communities and citizens.

Ensuring the integrity of Federal spending – Consistent with the increased emphasis on the integrity of all Federal spending activities, agencies should be required to implement a comprehensive program of internal controls for all programs supporting Sandy recovery efforts. Using existing Office of Management and Budget (OMB) guidelines, agencies should submit internal control plans to ensure that funding decisions are aligned with award purposes and have been properly reviewed, and to make certain that awards receive proper oversight. These plans should include enhanced grant management protocols that include quarterly program and financial monitoring, timely submission of single audit reports and grants closeout, and improper payments testing and reporting for all Federal programs supporting Sandy recovery activities. In addition, any spending plans submitted to agencies by recipients of Sandy-related funds should be reviewed by OMB for consistency with these principles and applicable law. Furthermore, the Administration recommends that a trigger be established to withdraw awards for certain grants that are not expended within 24 months of award

Agency: DEPARTMENT OF AGRICULTURE
Bureau: FARM SERVICE AGENCY
Account: Emergency Conservation Program
Subcommittee: Agriculture and Rural Development
FY 2013 Estimated Need: \$15,000,000

This request would provide \$15 million in cost-share assistance to farmers and ranchers to rehabilitate farmland damaged by Hurricane Sandy. Funds may be used to repair and restore natural resource impairments such as debris removal, restoration of conservation structures, and repair/replacement of damaged livestock fences that may endanger the land or affect the land's productive capacity.

Agency: DEPARTMENT OF AGRICULTURE
Bureau: FARM SERVICE AGENCY
Account: Commodity Credit Corporation Fund
Subcommittee: Agriculture and Rural Development
FY 2013 Estimated Need: \$23,000,000

This request would provide \$23 million in cost-share assistance to eligible landowners and operators to restore and enhance non-industrial forestland damaged by Hurricane Sandy through tree plantings designed to help reduce flood effects, protect water sources, decrease soil erosion and improve wildlife habitat.

Agency: DEPARTMENT OF AGRICULTURE
Bureau: NATURAL RESOURCES CONSERVATION SERVICE
Account: Watershed and Flood Prevention Operations
Subcommittee: Agriculture and Rural Development
FY 2013 Estimated Need: \$30,000,000

This request would provide \$30 million to mitigate future flood risk and relieve watershed impairments that pose imminent hazards to life and property. This funding would be available for immediate recovery efforts, including cleaning out debris-clogged stream channels, stabilizing undermined and unstable stream banks, and repairing jeopardized water control structures and public infrastructure.

Agency: DEPARTMENT OF AGRICULTURE
Bureau: FOOD AND NUTRITION SERVICE
Account: Commodity Assistance Program
Subcommittee: Agriculture and Rural Development
FY 2013 Estimated Need: \$6,000,000

This request would provide \$6 million for commodity food purchases for food banks and soup kitchens in response to Hurricane Sandy. This amount is equivalent to one month's worth of The Emergency Food Assistance Program entitlement commodities in the affected areas.

Agency: DEPARTMENT OF AGRICULTURE
Bureau: FOREST SERVICE
Account: Capital Improvement and Maintenance
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$4,400,000

This request would provide \$4.4 million to support repairs to Forest Service property and National Forest System roads and trails in response to Hurricane Sandy. Repairs are needed at the Grey Towers National Historic Site and in the White Mountain and Monongahela National Forests.

Agency: DEPARTMENT OF COMMERCE
Bureau: NATIONAL OCEANIC AND ATMOSPHERIC
ADMINISTRATION
Account: Operations, Research, and Facilities
Subcommittee: Commerce, Justice and Science
FY 2013 Estimated Need: \$33,000,000

This request would provide \$33 million for the National Oceanic and Atmospheric Administration (NOAA) Operations, Research, and Facilities account in response to Hurricane Sandy. Of this total, \$13 million would be used to 1) repair or replace damaged weather observation, weather radio, and ocean observing assets, primarily in the Mid-Atlantic and Northeast regions, including high frequency radar systems, water level monitoring stations, and other ocean observing and water quality monitoring platforms and sensors; and 2) repair damaged facilities belonging to the National Ocean Service, National Marine Fisheries Service, and National Weather Service, including regional facilities in Sandy Hook, New Jersey and the National Estuarine Research Reserve System. An additional \$20 million would be used to evaluate impacts on natural resources, such as fisheries and coastal habitat; support mapping and charting missions (e.g., hydrographic surveying, coastal mapping); conduct marine debris assessments; and provide technical assistance to support local recovery and facilitate permitting.

Agency: DEPARTMENT OF DEFENSE
Bureau: OPERATION AND MAINTENANCE
Account: Operation and Maintenance, Army
Subcommittee: Defense
FY 2013 Estimated Need: \$5,370,000

This request would provide nearly \$5.4 million in response to Hurricane Sandy to fund repairs of damaged facilities and utilities as well as debris removal at Picatinny Arsenal and Fort Dix in New Jersey; Fort Hamilton in New York; and Fort Lee and Fort Eustis in Virginia. This request also includes equipment repairs at Fort A.P. Hill in Virginia.

Agency: DEPARTMENT OF DEFENSE
Bureau: OPERATION AND MAINTENANCE
Account: Operation and Maintenance, Navy
Subcommittee: Defense
FY 2013 Estimated Need: \$41,200,000

This request would provide \$41.2 million in response to Hurricane Sandy to fund repairs of damaged facilities and equipment as well as debris removal at the following installations: Fleet Logistics Center Norfolk, Joint Expeditionary Base Little Creek-Fort Story, Naval Air Station Oceana, Norfolk Naval Shipyard, Norfolk Naval Station and Naval Support Activity Hampton Roads in Virginia; Naval Weapons Station Earle, New Jersey; United States Naval Station Guantanamo Bay, Cuba. Other facilities and equipment damaged in Connecticut, Massachusetts, New Jersey, New York, Pennsylvania, and Rhode Island will also be repaired.

Agency: DEPARTMENT OF DEFENSE
Bureau: OPERATION AND MAINTENANCE
Account: Operation and Maintenance, Air Force
Subcommittee: Defense
FY 2013 Estimated Need: \$8,500,000

This request would provide \$8.5 million in response to Hurricane Sandy to fund repairs of damaged facilities and equipment as well as debris removal at Dover Air Force Base, Delaware; Hanscom Air Force Base and Cape Cod Air Force Station, Massachusetts; Joint Base McGuire-Dix-Lakehurst, New Jersey; and Joint Base Langley-Eustis, Virginia.

Agency: DEPARTMENT OF DEFENSE
Bureau: OPERATION AND MAINTENANCE
Account: Operation and Maintenance, Army National Guard
Subcommittee: Defense
FY 2013 Estimated Need: \$3,165,000

This request would provide nearly \$3.2 million in response to Hurricane Sandy to fund repairs of damaged facilities and equipment as well as debris removal at Camp Hartell and Camp Niantic, Connecticut; Camp Smith, New York; Sea Girt National Guard Training Center, New Jersey; and armories in Connecticut, New Jersey, and New York.

Agency: DEPARTMENT OF DEFENSE
Bureau: OPERATION AND MAINTENANCE
Account: Operation and Maintenance, Air National Guard
Subcommittee: Defense
FY 2013 Estimated Need: \$5,775,000

This request would provide nearly \$5.8 million in response to Hurricane Sandy to fund repairs of damaged facilities and equipment at McGuire Air Force Base and Atlantic City International Airport, New Jersey; and Francis C. Gabreski Air Base, New York.

Agency: DEPARTMENT OF DEFENSE
Bureau: PROCUREMENT
Account: Procurement of Ammunition, Army
Subcommittee: Defense
FY 2013 Estimated Need: \$1,310,000

This request would provide \$1.3 million in response to Hurricane Sandy to fund repairs of roofs and utility wires at ammunition production buildings at the Radford Army Ammunition Plant in Virginia.

Agency: DEPARTMENT OF DEFENSE
Bureau: MILITARY CONSTRUCTION
Account: Military Construction, Army National Guard
Subcommittee: Military Construction and Veterans Affairs
FY 2013 Estimated Need: \$24,235,000

This request would provide \$24.2 million in response to Hurricane Sandy to fund repairs of damaged facilities and utilities at Sea Girt National Guard Training Center, New Jersey.

Agency: DEPARTMENT OF DEFENSE
Bureau: REVOLVING AND MANAGEMENT FUNDS
Account: Working Capital Fund, Navy
Subcommittee: Defense
FY 2013 Estimated Need: \$24,200,000

This request would provide \$24.2 million in response to Hurricane Sandy to fund repairs of damaged facilities and equipment as well as debris removal at Naval Weapons Station Earle, New Jersey and other naval facilities. In addition, these funds will be used to repair the hull of the USNS Arctic.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: ADMINISTRATION FOR CHILDREN AND FAMILIES
Account: Social Services Block Grant
Subcommittee: Labor, HHS, and Education
FY 2013 Estimated Need: \$500,000,000

This request would provide \$500 million in Social Services Block Grant (SSBG) funding for States to address the social service needs of affected individuals in response to Hurricane Sandy. Consistent with previous SSBG disaster-related supplemental funding, special appropriations language is needed to allow States to provide health services (including mental health services), and for repair, renovation, and construction of health care facilities (including mental health facilities), child care centers, and other social services facilities. Since SSBG funds are allocated to States through a statutory formula, language also is needed to target the funds to those States with the greatest social services needs resulting from the storm.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: ADMINISTRATION FOR CHILDREN AND FAMILIES
Account: Children and Families Services Programs
Subcommittee: Labor, HHS, and Education
FY 2013 Estimated Need: \$100,000,000

This request would provide \$100 million in response to Hurricane Sandy to rebuild and repair Head Start centers, as well as replace lost equipment and supplies. Funds would also be used to support temporary services for children formerly enrolled in closed centers, including transportation to other Head Start programs.

Agency: DEPARTMENT OF HEALTH AND HUMAN SERVICES
Bureau: DEPARTMENTAL MANAGEMENT
Account: Public Health and Social Services Emergency Fund
Subcommittee: Labor, HHS, and Education
FY 2013 Estimated Need: \$200,000,000

This request would provide \$200 million to the Public Health and Social Services Emergency Fund in response to Hurricane Sandy. This funding would support a number of health-related activities throughout the Department of Health and Human Services (HHS). The activities include support to National Institutes of Health grantees for scientific equipment and resource losses, clinical trial restarts, substance abuse and mental health programs, environmental and public health support, and other Departmental activities that are deemed by the Secretary as necessary for response and recovery from storm-related damage. These resources, provided to the Secretary and coupled with transfer authority similar to that found in the 2009 influenza pandemic appropriation, would provide a mechanism for the Department to identify the response priorities and specific costs associated with them. Since at this time it is too early to know exact response and recovery needs for the relevant HHS programs, this approach provides the Secretary with necessary flexibility to allocate at a later date. The Secretary would notify the Congress of the activities funded with this appropriation.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: UNITED STATES SECRET SERVICE
Account: Salaries and Expenses
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$300,000

This request would provide \$300,000 to replace Secret Service law enforcement vehicles as well as associated communications equipment permanently damaged by flooding associated with Hurricane Sandy.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: IMMIGRATION AND CUSTOMS ENFORCEMENT
Account: Salaries and Expenses
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$855,000

This request would provide \$855,000 to replace Immigration and Customs Enforcement law enforcement vehicles damaged in Hurricane Sandy.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: CUSTOMS AND BORDER PROTECTION
Account: Salaries and Expenses
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$2,402,000

This request would provide \$2.4 million in response to Hurricane Sandy to replace destroyed or damaged vehicles, including mobile x-ray machines at ports of entry in New York and New Jersey, and other equipment.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: UNITED STATES COAST GUARD
Account: Operating Expenses
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$66,844,000

This request would provide \$66.8 million to repair storm damage to Coast Guard Academy campus buildings, Coast Guard housing, and Coast Guard air facilities, boat stations, field units, and equipment. Damage from Hurricane Sandy rendered these facilities not habitable and/or not fully mission capable. The facilities are located along the East Coast from North Carolina to New England, along the Great Lakes and include small projects at boat stations in Florida and an air facility in Great Inagua, Bahamas.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: UNITED STATES COAST GUARD
Account: Acquisition, Construction, and Improvements
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$207,389,000

This request would provide nearly \$207.4 million for rebuilding waterfront facilities, Coast Guard housing, boat stations and field units, and for repairs to severely damaged information technology and communication systems. Damage from Hurricane Sandy rendered these facilities not habitable and/or not fully mission capable. The facilities are located along the East Coast from Virginia to Connecticut. Also included is reconstruction of a protective berm associated with the firing range at Cape May Training Center in New Jersey.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: FEDERAL EMERGENCY MANAGEMENT AGENCY
Account: Disaster Relief Fund
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$11,500,000,000

This request would provide \$11.5 billion to the Federal Emergency Management Agency for response and recovery efforts related to Hurricane Sandy, including direct aid to disaster survivors, the rebuilding of public infrastructure, and hazard mitigation, in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 93-288).

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: FEDERAL EMERGENCY MANAGEMENT AGENCY
Account: National Flood Insurance Fund
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$9,700,000,000

This request would provide the Federal Emergency Management Agency with an additional \$9.7 billion in borrowing authority to carry out the National Flood Insurance Program in response to Hurricane Sandy. Borrowing authority for the National Flood Insurance Program is currently capped at \$20.725 billion.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: FEDERAL EMERGENCY MANAGEMENT AGENCY
Account: Disaster Assistance Direct Loan Program Account
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$300,000,000

This request would provide \$300 million in subsidy for direct loans to communities impacted by Hurricane Sandy. Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) authorizes FEMA to provide direct loans to local governments that incurred substantial losses of tax and other revenues as a result of a major disaster and require financial assistance in order to perform governmental functions. The Disaster Assistance Direct Loan Program account provides loan authority and subsidy budget authority for disaster assistance direct loans.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: SCIENCE AND TECHNOLOGY
Account: Research, Development, Acquisition, and Operations
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$3,249,000

This request would provide \$3.2 million for erosion control and repair work to the Plum Island Animal Disease Center in New York and to reroute and retrench the undersea power cable that supplies the island with backup in response to damages caused by Hurricane Sandy.

Agency: DEPARTMENT OF HOMELAND SECURITY
Bureau: DOMESTIC NUCLEAR DETECTION OFFICE
Account: Systems Acquisition
Subcommittee: Homeland Security
FY 2013 Estimated Need: \$3,869,000

This request would provide nearly \$3.9 million to clear out radiological detector panel systems that were destroyed or damaged as a result of Hurricane Sandy and install new panels in booths at ports of entry in New York and New Jersey.

Agency: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Bureau: PUBLIC AND INDIAN HOUSING PROGRAMS
Account: Tenant-Based Rental Assistance
Subcommittee: Transportation and HUD
FY 2013 Estimated Need: NA

Legislative authority is needed to hold harmless Public Housing Authorities (PHAs) affected by Hurricane Sandy in determining Housing Voucher renewal funding and administrative fees provided through the normal appropriations process. PHAs are allocated renewal funding based on the prior year's actual leasing rates, and administrative fees are based on ongoing leasing activity. Due to Hurricane Sandy, these formula allocations may likely result in a decrease in renewal funding and administrative fees for impacted PHAs. Language should be included to hold harmless these PHAs for a temporary amount of time, not allowing their funding to drop below their 2012 levels. Similar authority was provided in appropriations language following Hurricane Katrina.

Agency: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Bureau: COMMUNITY PLANNING AND DEVELOPMENT
Account: Community Development Fund
Subcommittee: Transportation and HUD
FY 2013 Estimated Need: \$15,000,000,000

This request would provide \$15 billion in flexible Community Development Block Grant (CDBG) funds to assist State and local governments to address disaster recovery needs in areas most impacted by Hurricane Sandy. CDBG grantees will use funds to design and carry out recovery and mitigation programs to address needs not met by other sources, including Federal agencies. These funds can be used to address: housing repair or replacement costs unmet by insurance, FEMA individual assistance, or SBA disaster loans; unmet repair needs of small businesses (as defined by SBA regulations) that are underinsured and/or ineligible for SBA loans; public infrastructure investments; the State or local cost share required for other Federal programs; and other affordable housing and community development projects in low- and moderate-income neighborhoods.

Because there is no permanent authorization for a CDBG Disaster "program," supplemental appropriations language must provide flexibilities for effective implementation. The following provisions are recommended:

Broad Waiver Authority: For administrative efficiency, the standard broad statutory waiver authority should be modified to allow the Department of Housing and Urban Development (HUD) to waive requirements "pursuant to the determination of the Secretary that good cause exists" rather than "upon a request of a State or subdivision."

Approval of Action Plans: To ensure that funding allocations are aligned with long-term recovery priorities and spending principles, HUD should be provided the authority to disapprove action plans and request modifications if inconsistent.

Funding Allocations: HUD allocates funds based on estimates of unmet need, and should be authorized to do so either at the discretion of the Secretary or in phases. Phasing allocation would allow for quick distribution of some funds (e.g., 33 percent within 60 days), but also allow HUD to use the best available data on unmet need so that final funding allocations are fair.

Income Targeting and Business Requirements: The normal CDBG income targeting requirement should be reduced to require that at least 50 percent of funds benefit low-and moderate-income households. In addition, housing repair funds should be directed to primary residences only, business repair funds should be directed to unmet small business damage only, and except for small businesses that face long-term business disruption, funds should not be used to restore lost revenue.

Administrative Expenses: Funding should be set aside and transfer authority should be provided as in past CDBG disaster appropriations for Departmental administrative expenses so that HUD can effectively manage and monitor these funds. This request assumes that up to \$10

million will be transferred to the Office of Community Planning and Development, and up to \$4 million will be transferred to the Office of the Inspector General.

Other standard provisions, as provided for the 2012 CDBG Disaster Allocation (section 239 of Public Law 112-55): Action plan requirement, duplications of benefits, five percent for administrative costs, and public notification of waivers via the Federal Register.

Agency: DEPARTMENT OF THE INTERIOR
Bureau: BUREAU OF SAFETY AND ENVIRONMENTAL
ENFORCEMENT
Account: Oil Spill Research
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$3,000,000

This request would provide \$3 million to the Bureau of Safety and Environmental Enforcement (BSEE) in response to Hurricane Sandy. BSEE operates a group of facilities in New Jersey to train for oil spill responses and store equipment. This funding would be used to cover emergency repairs to restore these facilities to operating status and replace destroyed storage buildings.

Agency: DEPARTMENT OF THE INTERIOR
Bureau: UNITED STATES FISH AND WILDLIFE SERVICE
Account: Construction
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$78,000,000

This request would provide \$78 million for large-scale Fish and Wildlife Service (FWS) projects that repair or rehabilitate resources or facilities damage to National Wildlife Refuges (NWR) or other FWS properties, such as Fish Health and Technology Centers in response to Hurricane Sandy. Refuges that were hit hardest by the Hurricane include E.B. Forsythe NWR (New Jersey), the Long Island NWR Complex (New York) and Prime Hook NWR (Delaware). This request also includes funding for Refuges from Florida to Maine. Major damage to Federal real property includes buildings, utilities, vegetation, gates, fences, seawalls, docks, and shorelines. Equipment damage includes damages to water treatment tanks, fueling stations, vehicles, and boats.

Agency: DEPARTMENT OF THE INTERIOR
Bureau: NATIONAL PARK SERVICE
Account: Construction
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$348,000,000

This request would provide \$348 million for large-scale National Park Service projects that repair or rehabilitate a resource or facility damaged in national parks as a result of Hurricane Sandy. Hardest hit parks include Statue of Liberty Island, Ellis Island, Gateway NRA, and Fire Island. This request also includes funding for affected parks in Florida, North Carolina, and the D.C. area. Federal real property damage includes buildings, utilities, seawalls, docks, piers, and shoreline restoration. Equipment damage includes damages to radios, fueling stations, vehicles, boats, fire systems and historical assets.

Agency: DEPARTMENT OF JUSTICE
Bureau: GENERAL ADMINISTRATION
Account: Office of Inspector General
Subcommittee: Commerce, Justice, and Science
FY 2013 Estimated Need: \$20,000

This request would provide \$20,000 for the Office of Inspector General to repair and replace vehicles, equipment, and furniture as a result of Hurricane Sandy.

Agency: DEPARTMENT OF JUSTICE
Bureau: FEDERAL BUREAU OF INVESTIGATION
Account: Salaries and Expenses
Subcommittee: Commerce, Justice and Science
FY 2013 Estimated Need: \$4,000,000

This request would provide \$4 million to the Federal Bureau of Investigation to replace vehicles, laboratory and office equipment, and furniture damaged as a result of Hurricane Sandy.

Agency: DEPARTMENT OF JUSTICE
Bureau: DRUG ENFORCEMENT ADMINISTRATION
Account: Salaries and Expenses
Subcommittee: Commerce, Justice, and Science
FY 2013 Estimated Need: \$1,000,000

This request would provide \$1 million to the Drug Enforcement Administration, which would be used to repair or replace over 15 vehicles, information technology equipment, and antennas and repeaters at sites affected by Hurricane Sandy.

Agency: DEPARTMENT OF JUSTICE
Bureau: BUREAU OF ALCOHOL, TOBACCO, FIREARMS, AND
EXPLOSIVES
Account: Salaries and Expenses
Subcommittee: Commerce, Justice and Science
FY 2013 Estimated Need: \$230,000

This request would provide \$230,000 to the Bureau of Alcohol, Tobacco, Firearms and Explosives to replace three vehicles, repair communication lines, and replace damaged furniture as a result of Hurricane Sandy.

Agency: DEPARTMENT OF JUSTICE
Bureau: FEDERAL PRISON SYSTEM
Account: Buildings and Facilities
Subcommittee: Commerce, Justice and Science
FY 2013 Estimated Need: \$10,000,000

This request would provide \$10 million to repair Federal prison facilities in Connecticut, Massachusetts, New Jersey, New York, Pennsylvania, and West Virginia affected by Hurricane Sandy.

Agency: DEPARTMENT OF LABOR
Bureau: EMPLOYMENT AND TRAINING ADMINISTRATION
Account: Training and Employment Services
Subcommittee: Labor, HHS, and Education
FY 2013 Estimated Need: \$50,000,000

This request would provide \$50 million for the Workforce Investment Act Dislocated Worker National Reserve to support National Emergency Grants, which will fund the temporary expansion of training and employment programs to help dislocated workers in States affected by Hurricane Sandy.

Agency: DEPARTMENT OF TRANSPORTATION
Bureau: FEDERAL AVIATION ADMINISTRATION
Account: Facilities and Equipment
Subcommittee: Transportation and HUD
FY 2013 Estimated Need: \$30,000,000

This request would provide \$30 million for the Federal Aviation Administration (FAA), Facilities and Equipment account. This funding is needed to repair FAA-owned facilities and equipment such as air traffic control tower roofs, approach lighting systems, electrical equipment (transmission, generators, and distribution centers), radars, and navigational aids affected by Hurricane Sandy.

Agency: DEPARTMENT OF TRANSPORTATION
Bureau: FEDERAL HIGHWAY ADMINISTRATION
Account: Emergency Relief Program
Subcommittee: Transportation and HUD
FY 2013 Estimated Need: \$308,000,000

This request would provide \$308 million for emergency and permanent repairs to damaged Federal-Aid highways included in Presidential Declarations or Governors' Declarations in Connecticut, New Jersey, New York, North Carolina, Rhode Island, and Virginia as a result of Hurricane Sandy. Funds would also be used to reimburse States and localities for setting up detours protecting highway facilities and restoring damage to highway embankments, pavement structures and traffic control devices.

Agency: DEPARTMENT OF TRANSPORTATION
Bureau: FEDERAL RAILROAD ADMINISTRATION
Account: Operating Subsidy Grants to the National Railroad Passenger Corporation
Subcommittee: Transportation and HUD
FY 2013 Estimated Need: \$32,000,000

This request would provide \$32 million for costs incurred by Amtrak to repair their infrastructure damaged by Hurricane Sandy, including dewatering New York tunnels, electrical systems, and overhead wires. The extent of Amtrak's insurance coverage on damaged assets is still being assessed. While this estimate assumes damage is not covered, funding should not be used to supplant third party insurance coverage.

Agency: DEPARTMENT OF TRANSPORTATION
Bureau: FEDERAL TRANSIT ADMINISTRATION
Account: Public Transportation Emergency Relief Program
Subcommittee: Transportation and HUD
FY 2013 Estimated Need: \$6,200,000,000

This request would provide \$6.2 billion for repair and restoration of public transportation infrastructure in the New York City metropolitan area destroyed or damaged by Hurricane Sandy, including infrastructure controlled by the Metropolitan Transit Authority, the Port Authority of New York/New Jersey, New Jersey Transit, and the New York City Department of Transportation, as well as other transit providers throughout the impacted region. It assumes that a non-Federal match of ten percent will be required, comparable to the Federal Emergency Management Agency's program to rebuild public infrastructure, and that funding will not be used to supplant third party insurance coverage. The Public Transportation Emergency Relief program was created in MAP-21 (Public Law 112-141), the surface transportation reauthorization enacted on July 6, 2012. In the past, assistance for transit agencies to respond to and recover from Stafford Act disasters has typically been provided through the Federal Emergency Management Agency. The funding can be used for a variety of purposes, including capital projects to protect, repair, reconstruct, or replace equipment and facilities of a public transportation system that the Secretary determines is in danger of suffering serious damage, or has suffered serious damage, as a result of an emergency. MAP-21 requires that Department of Transportation and Federal Emergency Management Agency work in concert to make sure that the use of emergency funds are coordinated.

In addition, the Secretary should be provided the authority to transfer funds to the Federal Highway Administration's Emergency Relief Program if necessary for additional Sandy-related road, bridge and tunnel repairs and \$3 million should be transferred to the Department of Transportation's Inspector General for oversight of spending provided for Hurricane Sandy response and recovery. An appropriate take down should be provided for FTA administrative expenses.

Agency: DEPARTMENT OF VETERANS AFFAIRS
Bureau: VETERANS HEALTH ADMINISTRATION
Account: Medical Services
Subcommittee: Military Construction and Veterans Affairs
FY 2013 Estimated Need: \$21,000,000

This request would provide \$21 million to replace medical equipment that was damaged or destroyed at the Department of Veterans Affairs Manhattan Medical Center due to Hurricane Sandy.

Agency: DEPARTMENT OF VETERANS AFFAIRS
Bureau: VETERANS HEALTH ADMINISTRATION
Account: Medical Facilities
Subcommittee: Military Construction and Veterans Affairs
FY 2013 Estimated Need: \$6,000,000

This request would provide \$6 million to repair or replace medical equipment and building systems at Department of Veterans Affairs (VA) facilities throughout the New York area damaged during Hurricane Sandy. Funding would be used to repair or replace damaged medical equipment in the Manhattan VA Medical Center, repair the sea wall at the Montrose VA Medical Center (along the Hudson River), repair building systems, and purchase facilities supplies.

Agency: DEPARTMENT OF VETERANS AFFAIRS
Bureau: DEPARTMENTAL ADMINISTRATION
Account: Construction, Major Projects
Subcommittee: Military Construction and Veterans Affairs
FY 2013 Estimated Need: \$207,000,000

This request would provide \$207 million for renovation and repair of key departments and systems that suffered damage due to Hurricane Sandy at the Department of Veterans Affairs (VA) Manhattan Medical Center, including improvements to prevent interruption of patient services during future storms. VA will need congressional authorization in order to pursue this major construction project.

Agency: DEPARTMENT OF VETERANS AFFAIRS
Bureau: DEPARTMENTAL ADMINISTRATION
Account: Information Technology Systems
Subcommittee: Military Construction and Veterans Affairs
FY 2013 Estimated Need: \$531,000

This request would provide \$531,000 to renovate and replace information technology equipment that was damaged or destroyed at the Department of Veterans Affairs Manhattan Medical Center due to Hurricane Sandy.

Agency: DEPARTMENT OF VETERANS AFFAIRS
Bureau: DEPARTMENTAL ADMINISTRATION
Account: National Cemetery Administration
Subcommittee: Military Construction and Veterans Affairs
FY 2013 Estimated Need: \$1,100,000

This request would provide \$1.1 million to address damage at three national cemeteries due to Hurricane Sandy, which caused extensive tree damage at three national cemeteries: Beverly, New Jersey; Cypress Hills, New York; and Long Island, New York.

Agency: CORPS OF ENGINEERS -- CIVIL WORKS
Account: Construction
Subcommittee: Energy and Water Development
FY 2013 Estimated Need: \$9,000,000

This request would provide \$9 million to fund repairs to incomplete Civil Works projects that were not damaged severely enough by Hurricane Sandy to qualify for funding in the Flood Control and Coastal Emergencies account.

Agency: CORPS OF ENGINEERS -- CIVIL WORKS
Account: Operation and Maintenance
Subcommittee: Energy and Water Development
FY 2013 Estimated Need: \$899,000,000

This request would provide \$899 million in response to Hurricane Sandy for repairs to federally constructed Civil Works projects operated and maintained by the Corps of Engineers, including emergency dredging at inlets, harbors, and channels.

Agency: CORPS OF ENGINEERS -- CIVIL WORKS
Account: Flood Control and Coastal Emergencies
Subcommittee: Energy and Water Development
FY 2013 Estimated Need: \$592,000,000

This request would provide \$592 million for disaster response and emergency operations as a result of Hurricane Sandy. In addition, this request would fund repairs to federally constructed Civil Works projects operated and maintained by non-Federal sponsors and for some repairs to non-Federal civil works projects qualifying for assistance under Public Law 84-99, the Flood Control and Coastal Emergency Act.

Agency: ENVIRONMENTAL PROTECTION AGENCY
Account: Environmental Programs and Management
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$725,000

This request would provide \$725,000 to the Environmental Protection Agency (EPA) in response to Hurricane Sandy. Of this amount, \$600,000 is provided to assess water quality impacts to New York and New Jersey waters from partially treated or raw sewage, contaminated runoff, and other issues. This funding would support EPA equipment, contracts, and supplies for water quality testing. The remaining \$125,000 would be for EPA's Narragansett and Edison laboratories that sustained damages. The funding would repair a dock, walls, and roof damaged at these facilities.

Agency: ENVIRONMENTAL PROTECTION AGENCY
Account: Hazardous Substance Superfund
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$2,000,000

This request would provide \$2 million for the Environmental Protection Agency to re-stabilize Superfund sites in New Jersey that were impacted by Hurricane Sandy. The constructed remedy at the Raritan Bay Slag, Atlantic Resources, and Horseshoe Road Superfund sites sustained damage, re-exposing and mobilizing contamination left in place.

Agency: ENVIRONMENTAL PROTECTION AGENCY
Account: Leaking Underground Storage Tank Trust Fund Program
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$5,000,000

This request would provide \$5 million to assess and cleanup suspected or actual petroleum releases from federally regulated underground storage tanks, due to Hurricane Sandy.

Agency: GENERAL SERVICES ADMINISTRATION
Bureau: REAL PROPERTY ACTIVITIES
Account: Federal Buildings Fund
Subcommittee: Financial Services and General Government
FY 2013 Estimated Need: \$7,000,000

This request would provide \$7 million to facilities in New York and New Jersey requiring repair and alterations due to Hurricane Sandy. Costs are grouped into three categories: equipment repairs or replacements to restore building conditions, building repairs to restore conditions, and standard buildout for temporary leased space to replace uninhabitable previously leased space.

Agency: NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
Account: Construction and Environmental Compliance and Restoration
Subcommittee: Commerce, Justice and Science
FY 2013 Estimated Need: \$4,000,000

This request would provide \$4 million to repair damaged and eroded sand berms and dunes that protect launch sites at Wallops Flight Facility and Kennedy Space Center, due to Hurricane Sandy.

Agency: SMALL BUSINESS ADMINISTRATION
Account: Salaries and Expenses
Subcommittee: Financial Services and General Government
FY 2013 Estimated Need: \$50,000,000

This request would provide \$50 million for the Small Business Administration (SBA): \$10 million for indirect administrative expenses (including information technology security, staffing, and financial management expenses) related to SBA's response to Hurricane Sandy; \$20 million to support SBA's resource partners, such as Small Business Development Centers and Women's Business Development Centers, as they provide technical assistance to disaster victims to help them reshape their businesses to access capital, re-start, and succeed in the post-Sandy business climate; and \$20 million to fund State and regional cluster initiatives, accelerators, and industry-specific supply chain initiatives to support long-term economic development in the areas impacted by the Hurricane. Language providing grant authority should accompany the resource partner and economic development funding to enable SBA to use the funds in this manner.

Agency: SMALL BUSINESS ADMINISTRATION
Account: Office of Inspector General
Subcommittee: Financial Services and General Government
FY 2013 Estimated Need: \$5,000,000

This request would provide \$5 million to the Small Business Administration's (SBA's) Office of Inspector General to support audits, reviews, and investigations of the proper use of funds provided by SBA's direct Disaster Assistance loans program to the victims of Hurricane Sandy. These activities promote economy and efficiency in SBA operations by preventing and detecting fraud, waste, and abuse of loan funds.

Agency: SMALL BUSINESS ADMINISTRATION
Account: Surety Bond Guarantees Revolving Fund
Subcommittee: Financial Services and General Government
FY 2013 Estimated Need: NA

Legislative authority is needed to amend Section 411(a)(1) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)(1)) by striking \$2 million and inserting \$5 million. The Small Business Administration's Surety Bond Guarantee program currently provides for bond guarantees to surety companies for construction, service, and supply contracts or work orders that do not exceed \$2 million and reimburses these sureties up to 90 percent of the losses sustained if the contractor defaults. Because the recovery effort to rebuild the areas impacted by Hurricane Sandy will require numerous construction, service, and supply contracts, this statutory revision would increase the surety bond limit for small business contracts from \$2 million to \$5 million, enabling more small businesses to participate in the recovery efforts. The program has sufficient balances to backstop the increase.

Agency: SMALL BUSINESS ADMINISTRATION
Account: Disaster Loans Program Account
Subcommittee: Financial Services and General Government
FY 2013 Estimated Need: \$750,000,000

This request would provide \$500 million in subsidy costs, which would support approximately \$4.5 billion in direct disaster assistance loans to the victims of Hurricane Sandy, while \$250 million of funding would support the administrative expenses for the associated loan-making and servicing costs. These funds provide low-interest loans to businesses of all sizes and individuals (including homeowners and renters) to repair or replace real estate, personal property, machinery and equipment, inventory, and business assets that have been damaged or destroyed in a declared disaster and to provide economic injury loans to qualifying small businesses.

Agency: SOCIAL SECURITY ADMINISTRATION
Account: Limitation on Administrative Expenses
Subcommittee: Labor, HHS, and Education
FY 2013 Estimated Need: \$2,000,000

This request would provide the Social Security Administration with \$2 million to decontaminate paper records and replace damaged information technology equipment, due to Hurricane Sandy.

Agency: LEGAL SERVICES CORPORTION
Account: Payment to the Legal Services Corporation
Subcommittee: Commerce, Justice and Science
FY 2013 Estimated Need: \$1,000,000

This request would provide \$1 million for Legal Aid programs in the areas affected by Hurricane Sandy with the necessary mobile resources, technology, and disaster coordinators to provide storm-related services to the low-income client population.

Agency: SMITHSONIAN INSTITUTION
Account: Salaries and Expenses
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$2,000,000

This request would provide \$2 million to repair roofs damaged by wind at the National Museum of Natural History (District of Columbia), National Museum of American History (District of Columbia), National Air and Space Museum (District of Columbia and Virginia), National Zoological Park (District of Columbia), Museum Support Center (Maryland) and Herndon Data Center (Virginia) due to Hurricane Sandy.

Mitigation Projects

In addition to the funds necessary for recovery and repair of damage caused by Hurricane Sandy, the Administration estimates an additional \$12,970 million is necessary for mitigation projects to reduce the risk of damage from future disasters.

As discussed in the introduction to this document, mitigation projects should be guided by regional response plans that are informed by an assessment of current vulnerabilities to extreme weather events and that effectively mitigate future risks. The rebuilding plan will include input from State, local, and tribal officials, and will be supported by Federal agencies, whose efforts will be coordinated by the Hurricane Sandy Task Force led by Secretary Donovan. The Task Force will facilitate federal, state, and local officials working together with the private sector and non-profit, community and philanthropic organizations to promote recovery in a unified and collaborative manner. Relevant Federal programs receiving mitigation funds should have flexible transfer authority, to enable funding to be channeled through the most appropriate federal programs to accomplish priority activities. For example, funding provided for transportation mitigation could be needed for projects involving multiple modes other than just public transportation.

The table below shows the agencies for which the mitigation funds would be provided, followed by account-level details.

(\$ in millions)		
Agency	Program	Amount
Department of Agriculture	Natural Resources Conservation Service, Watershed and Flood Prevention Operations	\$ 150
Department of Commerce	National Oceanic and Atmospheric Administration, Operations, Research, and Facilities	\$ 360
Department of Commerce	National Oceanic and Atmospheric Administration, Procurement, Acquisition, and Construction	\$ 100
Department of Housing and Urban Development	Community Planning and Development, Community Development Fund	\$ 2,000
Department of the Interior	Fish and Wildlife Service, Resource Management	\$ 400
Department of Transportation	Federal Transit Administration, <u>Public Transportation Emergency Relief Program</u>	\$ 5,500
Corps of Engineers	Investigations	\$ 30
Corps of Engineers	Construction	\$ 3,820
Environmental Protection Agency	State and Tribal Assistance Grants	\$ 610
TOTAL FY 2013 ESTIMATED NEED		\$ 12,970

Agency: DEPARTMENT OF AGRICULTURE
Bureau: NATURAL RESOURCES CONSERVATION SERVICE
Account: Watershed and Flood Prevention Operations
Subcommittee: Agriculture and Rural Development
FY 2013 Estimated Need: \$150,000,000

The Department of Agriculture would use \$150 million to mitigate future flood risk. Funding would be available for the purchase of floodplain easements in flooded or flood-prone coastal areas in order to mitigate economic and environmental risks of future flood events.

Agency: DEPARTMENT OF COMMERCE
Bureau: NATIONAL OCEANIC AND ATMOSPHERIC
ADMINISTRATION
Account: Operations, Research, and Facilities
Subcommittee: Commerce, Justice and Science
FY 2013 Estimated Need: \$360,000,000

The National Oceanic and Atmospheric Administration (NOAA) would use \$360 million to: assess risks associated with storms and flooding, provide technical assistance to improve preparedness and resiliency in coastal communities, improve forecast and modeling capabilities to support mitigation efforts, and stabilize and restore ecosystems. NOAA would work with States through cooperative agreements and by providing technical assistance to apply knowledge gained from impact assessment, identify risks and vulnerabilities along the coast, and develop and implement long-term resilience strategies to rebuild and protect sustainable coastal communities.

Agency: DEPARTMENT OF COMMERCE
Bureau: NATIONAL OCEANIC AND ATMOSPHERIC
ADMINISTRATION
Account: Procurement, Acquisition and Construction
Subcommittee: Commerce, Justice and Science
FY 2013 Estimated Need: \$100,000,000

The National Oceanic and Atmospheric Administration (NOAA) would use \$100 million to be leveraged with non-Federal resources, as appropriate, primarily to support State and local acquisition of land to restore and build coastal resiliency in areas where rebuilding physical infrastructure is not feasible or desirable, and on activities that can increase the protective capacity of natural ecosystems, such as restoring wetlands, to benefit adjacent coastal communities. Funds would be awarded competitively, principally through the Coastal and Estuarine Land Conservation Program.

Agency: DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Bureau: COMMUNITY PLANNING AND DEVELOPMENT
Account: Community Development Fund
Subcommittee: Transportation and HUD
FY 2013 Estimated Need: \$2,000,000,000

The Department of Housing and Urban Development (HUD) would provide an additional \$2 billion in Community Development Block Grant (CDBG) funds for mitigation projects to reduce future risks and vulnerabilities. Recipients could use these funds to design and implement measures to reduce the risk of damage and loss from future disaster events. Such measures could include elevating, relocating, or hardening structures, and funds could also be used for cost shares of large local and regional mitigation projects, to address the needs for long-term recovery and resiliency.

Agency: DEPARTMENT OF THE INTERIOR
Bureau: UNITED STATES FISH AND WILDLIFE SERVICE
Account: Resource Management
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$400,000,000

The Fish and Wildlife Service would use \$400 million to expand the capacity of grants to mitigate the risk of future flooding to coastal communities by restoring and enhancing natural systems on State, local and private lands, or acquiring and converting lands that cannot be redeveloped to increase flood resiliency. Funds can also be used to enhance Department of the Interior lands to mitigate the risk of future regional flooding and protect Federal resources in national parks or wildlife refuges.

Agency: DEPARTMENT OF TRANSPORTATION
Bureau: FEDERAL TRANSIT ADMINISTRATION
Account: Public Transportation Emergency Relief Program
Subcommittee: Transportation and HUD
FY 2013 Estimated Need: \$5,500,000,000

The Federal Transit Administration (FTA) would use \$5.5 billion for mitigation projects to make transportation systems more resilient in the face of high winds and flooding through the Public Transportation Emergency Relief Program. Projects could range from comprehensive flood control plans for key transportation assets to smaller-scale measures to protect critical locations. The FTA would require authority to transfers these funds to other agencies, as necessary, to best effectuate the coordinated response.

Agency: CORPS OF ENGINEERS – CIVIL WORKS
Account: Investigations
Subcommittee: Energy and Water Development
FY 2013 Estimated Need: \$30,000,000

The Army Corps of Engineers civil works program would use \$20 million to support an inter-agency planning process in conjunction with State, local, and Tribal officials, and to develop plans to address long-standing challenges and ensure the health and prosperity of the areas affected by Sandy by building for the future, rather than recreating past vulnerabilities. Plans would identify the best way to use not less than one-half of the overall amount identified for mitigation construction for innovative approaches to reduce the future flood risk, in ways that will promote the long-term sustainability of the coastal ecosystem and communities and reduce the economic costs and risks to life associated with large-scale flood and storm events. This would, to the extent possible, incorporate and address the increased risk and vulnerabilities expected as a result of increased extreme weather, sea level rise and coastal flooding. Within the \$30 million total for investigations, \$10 million is for the nationwide Water Resources Priorities Study authorized in section 2032 of the Water Resources Development Act of 2007. The Water Resources Priorities Study will address the critical need to develop a baseline assessment of the Nation's vulnerability to flood damages on both a national and regional scale; examine the effectiveness of existing Federal, State, and local programs; and develop recommendations to improve these programs so as to reduce the economic costs and risks to life associated with large-scale flood and storm events in ways that will also promote the long-term sustainability of communities and ecosystems.

Agency: CORPS OF ENGINEERS – CIVIL WORKS
Account: Construction
Subcommittee: Energy and Water Development
FY 2013 Estimated Need: \$3,820,000,000

The Army Corps of Engineers civil works program would use \$3.8 billion for implementation and construction of projects in areas affected by Hurricane Sandy that reduce the future flood risk, in ways that will promote the long-term sustainability of the coastal ecosystem and communities and reduce the economic costs and risks to life associated with large-scale flood and storm events, and would, to the extent possible, incorporate and address the increased risk and vulnerabilities expected as a result of increased extreme weather, sea level rise, and coastal flooding. Such projects may include, but are not limited to, previously authorized projects designed to reduce flood risk subject to a determination by the Secretary of the Army that such projects incorporate current science and engineering standards and are consistent with the goals of funds provided in this section. For existing authorized, but not constructed projects, and previously constructed projects damaged by Hurricane Sandy that the Secretary determines do not meet these criteria, and projects not currently authorized for construction, language would be provided to authorize the Secretary to implement projects with any modifications that the Secretary determines are necessary to meet the goals of funds provided in this section. Projects constructed with funds provided in this section would be authorized at 90 percent Federal cost share. The Corps would require authority to transfers these funds to other agencies, States or local governments, as necessary, to implement elements of any plans resulting from the study to be completed with funds provided in the Investigations account.

Agency: ENVIRONMENTAL PROTECTION AGENCY
Account: State and Tribal Assistance Grants
Subcommittee: Interior and Environment
FY 2013 Estimated Need: \$610,000,000

The Environmental Protection Agency (EPA) would provide \$600 million in State grants for affected States' clean water and drinking water state revolving funds for mitigation projects for drinking water and wastewater systems that reduce future risks and vulnerabilities, for example from extreme weather events. Legislative language would be necessary to target this assistance. The EPA would also provide \$10 million in State grants to fund wetland restoration and other ecosystem enhancements to assist in environmental mitigation of affected areas by Hurricane Sandy. This funding would support climate adaptation and other flood mitigation.